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**AUG 14 1995**

**BEFORE THE  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C., 20554**

**FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY**

95-149

**Request for Declaratory Ruling  
Regarding Demarcation Point at  
Washington Dulles International Airport**

**File No.**

To: Chief, Enforcement Division,  
Common Carrier Bureau

**REQUEST FOR DECLARATORY RULING**

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To: Chief, Enforcement Division,  
Common Carrier Bureau

***REQUEST OF METROPOLITAN WASHINGTON AIRPORTS AUTHORITY  
FOR DECLARATORY RULING DETERMINING THE  
DEMARCATION POINT AT DULLES INTERNATIONAL AIRPORT***

Pursuant to Section 1.2 of the Commission's Rules, the Metropolitan Washington Airports Authority (the "Authority") respectfully requests that the Commission issue a declaratory ruling resolving a protracted controversy between the Authority and GTE South Incorporated ("GTE") with respect to the demarcation point, determinable under subsection 68.3(b)(2) of the Commission's rules, at Washington Dulles International Airport ("Dulles").

We ask that the Commission confirm the Authority's determination that there is a single demarcation point, located at a building on the airport that is leased to GTE for a central office. We show in this petition that this determination accords with the Commission's rules and policies, with GTE's "policy" for the establishment of demarcation points (to the extent it has one) and with the public interest. Our extended efforts to settle this matter through negotiations have failed, and resolution of this dispute is urgently needed in order to enable the Authority to complete a shared tenant system

that it has been seeking to deploy at Dulles for more than two years and to carry out a major expansion initiative at that airport.

### ***FACTS***

1. Standing and Interest of the Authority. The Authority's interest in resolving this now 2-1/2 year old dispute with GTE concerning the demarcation point at Dulles arises out of the Authority's efforts to meet its responsibility of assuring high quality, cost effective, telecommunications services for itself, its tenants and, derivatively, the traveling public at Washington National and Dulles Airports.

The Authority is a public body corporate and politic, created by the District of Columbia and Virginia through an interstate compact in 1985 (amended in 1987) for the purpose of "acquiring, operating, maintaining, developing, promoting, and protecting" National and Dulles "for public purposes."<sup>1/</sup> In 1986, Congress authorized the Secretary of Transportation to transfer operation of the airports and to lease National and Dulles Airports to the Authority for 50 years.<sup>2/</sup> The Lease was signed March 2, 1987. As a result, the Authority has legal control over the nearly 10,000 acres of land and the multiple terminals, building and facilities located at Dulles. All of the occupants of facilities on the airport -- including car rental establishments, the hotel, businesses, as well as, of course, the airlines and retail establishments---are tenants or subtenants of the Authority as holder of the ground lease from the Federal Government. Consistent with

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<sup>1/</sup> 1987 Va. Acts of Assembly Ch. 665, § 5.

<sup>2/</sup> P.L. 99-500, Title VI.

the Authority's basic responsibility for "local control, management, operation and development" of Dulles, the Authority has standing before this Commission to see to it that telecommunications facilities are provided to tenants of the airport and that telecommunications services are available to it and its tenants.

2. Implementation of Shared Tenant Service, the Need for a Demarcation Point. In April, 1993, the Authority entered into an innovative contractual arrangement for providing telecommunications services at both National and Dulles. Under the 15 year contract -- which was the result of competitive bids -- Harris Corporation ("Harris") serves as the STS provider on a concession basis. The contract spells out, in detail, Harris's obligation to install, operate and maintain a state of the art infrastructure at both airports, the cost of which is shared by all airport occupants. It requires Harris to function as a telecommunications manager for the provision of long distance service and the sharing of intrastate service for the Authority and those of its tenants who choose to take service through Harris. Under the contract, Harris is required to publish, subject to the Authority's prior approval, a uniform schedule of rates for CPE and services it offers. The Authority is itself a user of the STS system and pays the same rates as tenants who elect to take service through it.

A central purpose of the STS system is to substantially upgrade the communication infrastructure at Dulles. Indeed, development of the RFP for a concession based STS system was prompted, in large part, by Authority studies showing a need to replace old, outmoded and inadequate copper wire with a fiber sonnet-ring and state of the art switching equipment, capable of supporting the variety of telecommunications services and customer premises equipment (CPE) that have emerged

in the 30 years since Dulles was first opened. The involvement of a private sector company in the project enables the Authority to accomplish its goal without direct capital outlay.

Upgrading of the infrastructure obviously requires the establishment of a demarcation point as a boundary for allocating the responsibilities of the Authority and of GTE (the incumbent interexchange carrier) for interconnection and for the maintenance, operation and repair of the facilities on airport property. A demarcation point is further necessitated by Virginia law governing Shared Tenant Service. A copy of GTE's Shared Tenant Service tariff, implemented in accordance with the rules of the Virginia Corporation Commission, is appended as attachment 1. GTE requires that customers located within "Shared Tenant Complex, as defined by the Shared Tenant Service provider" must have the "option of obtaining service" directly from GTE. The Authority's contract with Harris stipulates that tenants at the airport must have that option. However, GTE's rules further provide that:

facilities to connect such customers to the Telephone Company shall be provided by the customer ... or by the person controlling the inside or other wiring used by the shared tenant service provider.

Attachment 1 at page 3. The "cost of such facilities" shall not be borne by the telephone company. The establishment of a demarcation point is, thus, indispensable to the Authority's realization of its goal providing a communications infrastructure that will support the advanced telecommunications needs of the Authority, its tenants and the public and to the implementation of the STS system in accordance with Virginia law.

3.     The Genesis of the GTE Dispute. The Authority's effort to come to closure with GTE with respect to a mutually acceptable demarcation point has continued now for more than 2-1/2 years. Attachment 2-A to this request is a letter dated June 5 transmitted to GTE on behalf of the Authority; that letter provides a summary of this protracted dispute. Attachment 2-B is the letter of May 17 from GTE, to which the June 5 letter responds. Attachment 2-C is a letter dated June 13 from GTE which purports to set forth its position.

In brief, for more than two years, there had been an understanding that the demarcation point would be located somewhere within Building 8 on the Dulles premises, the building in which GTE maintains a central office. As is its right, GTE announced, the end of April 1995, that it was unwilling to sell the plant behind the demarcation point. Its May 17 letter states that it would take an additional two weeks for GTE "to propose" a demarcation point. Although the Authority still has not received a formal proposal (see Attachment 2-C), it is our understanding that GTE insists that the demarcation points be placed at every building in the Airport. That will not do, for the reasons set forth below.

### ***ARGUMENT***

1.     The Authority's Proposed Demarcation Point Conforms to the Commission's Rule. Although quite plainly designed to permit demarcation point issues to be worked out between the parties, subsection 68.3(b)(2) of the Commission's rule defines the standard for determining a demarcation point with unmistakable clarity:

(2)     In multiunit premises in which wiring is installed after August 13, 1990, including additions, modifications and rearrangements of wiring existing prior

to that date, the telephone company may establish a reasonable and non-discriminatory practice of placing the demarcation point at the minimum point of entry. If the telephone company does not elect to establish a practice of placing the demarcation point at the minimum point of entry, the multiunit premises owner shall determine the location of the demarcation point or points. The multiunit premises owner shall determine whether there shall be a single demarcation point location for all customers or separate such locations for each customer.

Thus, whether or not the telephone company has a policy in conformance with the rule, section 68.3(b)(2) provides that the premises owner shall determine whether there is “single demarcation point” for all customers on the premises or “separate such locations” for each such customer.

The flexible structure of the rule “limiting the discretion” of the carrier and affording the premises owner the ultimate ability “to select the service configuration” appropriate for its campus or facility (In the matter of Section 68.104 and 68.213 of the Commission’s Rules, 5 FCC Rcd. 4686, 4693, 4707 fn. 29, 30 (1990) (“Demarcation Order”)) reflects the concerns that led the Commission to adopt section 68.3(b)(2). On the one hand, the Commission was concerned that its then existing definition might allow carriers to establish a practice of locating the demarcation point “at a substantial distance” from the point of interconnection, and on the other hand, that vesting complete discretion in the carrier could result in the location of a demarcation point that would interfere with an owner’s ability to control the nature and quality of the infrastructure on its property. See, Demarcation Order, 4692-93.

The Authority’s determination that the demarcation point with GTE should be at the building which houses GTE’s central office is entirely consistent with the



Commission's rule and its underlying purpose. The Authority has done nothing more than to "select the service configuration" by directing that there shall be a "single demarcation point location for all customers" in accordance with the literal terms of the rule. Building 8 was chosen because it now houses GTE's central office at the airport and will also house the switch that Harris is required to install under the contract to support the STS system. It is thus a convenient, cost effective choice for both parties.

2. The Authority's Proposed Demarcation Point Conforms to GTE's Declared Policy. We do not believe it necessary for the Commission to decide whether GTE has in place a "reasonable and non-discriminatory" policy as suggested by subsection 68.3(b)(2), for it is clear that the demarcation point designated by the Authority is consistent with GTE's policy as it has been described to us. Neither the Authority nor its lawyers have been supplied with a copy of the policy statement upon which GTE relies. After 2½ years of persistent requests for a copy of that policy, we have been informed that the policy statement is "proprietary." Instead, the Authority was provided with the letters that accompany this petition as Attachments 2-B and 2-C.

An examination of the May 17 letter makes clear that GTE does not have a single policy for establishing demarcation points. Rather, it appears to have defined, for itself, a series of "options" from which it, apparently in its sole discretion, can select as the demarcation point. We doubt that this is what the Commission had in mind when it authorized telephone companies to establish "a reasonable and non-discriminatory practice" of placing the demarcation point at the minimum point of entry. The argument could be made that GTE has not elected to establish such a practice. In any case, it is unnecessary for the Commission to reach this question because the GTE policy, as

described at Attachment 2-B, specifically provides that “[a]lternative demarcation point(s) may be established if the circumstances require it.” On its face, therefore, GTE’s policy, as described, permits the establishment of a single demarcation point. The Authority’s designation of Building 8 is thus entirely consistent with the policy as described.

That the “circumstances” presented here “require” Commission invocation of the “special application” of GTE’s policy seems to us indisputable. This is not simply another office building , or mall, or commercial complex seeking implementation of STS service. For example, there are special public safety and security needs at Dulles<sup>3/</sup>. The Authority has the imperative need and the specific power to control all construction at the airport. The problems associated with GTE’s decision to install cable to service the Greenway without Authority permission, described at page 4 of Attachment 2-A are illustrative of this need. The establishment of a single demarcation point will facilitate the Authority’s ability to control construction activities on the airport without impairing GTE’s ability to serve the STS provider and those tenants who elect to take service directly from GTE. This is plainly “a circumstance” require application of GTE’s “alternative” demarcation policy.

In adopting the revised definition of the demarcation point in 1990, the Commission specifically noted that the existence of a different definition for multi-unit premises existing prior to August 13, 1990 “does not preclude relocation of the

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<sup>3/</sup> See, e.g., Shared Local Exchange Service, 1987 PUC Lexis 1410 (Fla. 1987)

demarcation point at the request of the premises owner to the minimum point of entry".

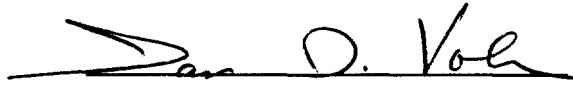
Demarcation Order, 5 FCC Rcd. at 4707, fn. 27. GTE may have had, for internal accounting purposes, a demarcation point or points that differs from the one that the Authority has now designated. The Authority's directive of June 5 acknowledges GTE's continued ownership of cabling installed prior to the date of that letter. The Authority's directive thus leaves it to GTE--and its regulators--to determine the appropriate accounting treatment of plant after the establishment of the demarcation point at Building 8. By the same token, the Commission has emphasized that carriers are not permitted to invoke "claims of ownership" to frustrate the Commission's premises wiring and, closely related STS policies. See, Inside Wiring Recon. Order, 1 FCC Rcd. 1190, 1195-96 (1986). GTE cannot be permitted to use its ownership of embedded plant, or its prior undisclosed policies and accounting practices, to deny the Authority the right to select a single "alternative" demarcation point specified in its policy, as described.

3. The Authority's Designation Of A Single Demarcation Point Serves Broader Public Interest Objectives. Since 1993, when the Authority first proposed the establishment of the demarcation point at Building 8, developments in the telecommunications industry in Virginia have made it all the more imperative that there be a single, conveniently located, point of demarcation at Dulles Airport. Discussions with GTE actually began before the commencement of the RFP that lead to the selection of Harris as the STS service provider. At that time, and presently, Virginia law and policy do not permit competition in the provision of local exchange service. However, as the result of legislation enacted by the Commonwealth of Virginia in 1995 and proceedings now pending before the Virginia State Corporation Commission, competitive

local exchange service (including, possibly, resale) will be authorized not later than January, 1996. For planning purposes, the Authority must assume that new entrants will seek to serve the STS provider at Dulles and/or the Authority's tenants at that airport directly.

Whether that competition proves to be facility based (in view of the proximity of the airport to areas served by Bell Atlantic) or resale, or some combination, it is perfectly obvious that the Authority must establish a single demarcation point. The site chosen, Building 8, will serve all potential new entrants, as well as GTE, in an evenhanded and equal fashion. Security, public safety and basic operational needs of the Authority cannot be accomplished by accepting GTE insistence upon its right to establish a demarcation point at each and every building of the airport. The facilities of the airport are not designed and simply cannot be designed to accommodate two, three or even more communications carriers and associated trucks, crews and equipment at each building. Nor is it possible, or sensible, for the Authority to acquiesce in one demarcation policy for GTE and to insist upon a different demarcation points for other entrants. The Authority should not be put in the position of competitively advantaging or disadvantaging either the incumbent or new entrants. There is nothing in the Commission's rules with regard to the establishment of demarcation points or the policies underlying those rules that compels it to do so. Certainly, GTE's selective interpretation of its policy, to the extent that it has one, should not be permitted to frustrate the development of competition, both directly and through STS, at Dulles Airport.

Respectfully submitted



Ian D. Volner

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## **ATTACHMENT 1**



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East Area Vice President - General Counsel

**GTE Telephone Operations**

Leslie Reicin Stein  
Associate General Counsel

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813-224-4001  
813-228-5257 (Facsimile)

**Attorneys**

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Kimberly Caswell	Joe W. Foster
Franklin H. Deak	Ernesto Mayor, Jr.

November 30, 1994

Ian D. Volner, Esq.  
Venable, Baetjer, Howard & Civiletti  
Suite 1000  
1201 New York Avenue N.W.  
Washington, DC 20005

Re: Proposed Demarcation Point and Cable System Purchase Agreement  
between Metropolitan Washington Airports Authority and GTE  
South Incorporated

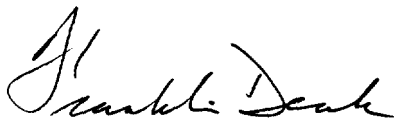
Dear Mr. Volner:

Attached is a copy of the Shared Tenant Service Tariff filed by  
Contel of Virginia, Inc. and approved by the Virginia State  
Corporation Commission, effective July 1, 1993.

Contel of Virginia, Inc. merged with GTE South Incorporated  
effective September 29, 1994, and GTE South Incorporated is the  
successor corporation.

If you have any questions please call me at 813-228-3092.

Very truly yours,



Franklin H. Deak

c:\wpfiles\113094iv

**Attachment**

c: Rheba C. Heggs, Esq. (with Attachment) fax: 703-684-5447  
Jerry Haney - VA810GBS  
Ed Dudley - VA400NPR

BY FAX: 202-962-8300

A part of GTE Corporation

09-14-94 02:56PM FROM GTE VIRGINIA REGION TO 18132285257  
09/13/94 12:04 FROM EXTERNAL AFFAIRS

P002

NO. 587 002

Concel of Virginia, Inc.  
d/b/a GTE (Virginia)

Section 21  
Original Index Sheet 1

**SHARED TENANT SERVICE**

- A. General
- B. Regulations
- C. Rates

**Sheet**

1

1

2

(N)

(N)

Issued: June 1, 1993

Effective: July 1, 1993

By: Stephen C. Spencer, Vice President



Contel of Virginia, Inc.  
d/b/a GTE (Virginia)

Section 21  
Original Sheet 1

**SHARED TENANT SERVICE**

(N)

**A. GENERAL**

Shared Tenant Service is a service arrangement which allows the business Exchange Service and associated facilities of a customer to be reoffered by the customer to individuals, firms or corporations (patrons) not otherwise permitted use of the customer's business service by this Tariff.

**B. REGULATIONS**

1. Shared Tenant Service is offered on a business PRX trunk or Centrex Service basis, excluding dormitory Centrex lines, where the customer's system exceeds the capacity of 16 lines or 32 stations.
2. Shared Tenant Service will only be provided on a message or measured rate basis. The entire shared tenant service system must be served by the same class of exchange service for both administrative and patron use.
3. Shared Tenant Service is furnished to customers whose patrons occupy buildings or facilities that are within specifically identified contiguous property areas, even if the contiguous area is intersected by public thoroughfares or rights-of-way, and are either (a) under common ownership, which is either the same owners, common general partners, or common principal equity investors, or (b) within a common development which is either an office or commercial complex, a shopping center, an apartment or condominium or cooperative complex, an airport, a hotel or motel, a college or university, or a complex consisting of mixed users of the types heretofore described, but not to include residential subdivisions consisting of single-family detached dwellings.
4. Application for Shared Tenant Service and for changes in services therewith, must be executed by the customer. The customer does not have to be a user of Shared Tenant Service but is responsible for payment of all charges incurred, regardless of whether such charges are associated with his usage or that of any patron, and such charges will be included on the customer's monthly bill.
5. Shared Tenant Service providers shall furnish the Telephone Company a description of the contiguous property area prior to the establishment of service. The Telephone Company shall be notified of any changes in that area that occurs subsequent to the establishment of service.
6. Customers of Shared Tenant Service may subscribe to residential and business additional directory listings on behalf of their residential and business patrons at the rates established for such additional directory listings in Section 9.

(N)

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Issued: June 1, 1993

Effective: July 1, 1993

By: Stephen C. Spencer, Vice President

05/13/94

12:05

FROM EXTERNAL AFFAIRS

NO. 587

D24

Contel of Virginia, Inc.  
d/b/a GTE (Virginia)

Section 21  
Original Sheet 2

**SHARED TENANT SERVICE**

(N)

**B. REGULATIONS (Continued)**

7. Customers located within the shared tenant complex, as defined by the shared tenant service provider, shall have the option of obtaining service directly from the Telephone Company. Facilities to connect such customers to the Telephone Company shall be provided by the customer or by the shared tenant service provider or by the person controlling the inside or other wiring used by the shared tenant service provider. The cost of such facilities shall not be borne by the Telephone Company.
8. All rates and charges in connection with Shared Tenant Service and all repairs and rearrangements on the customer's side of the network interface furnished by the Telephone Company including the shared tenant service provider's facilities, will be the responsibility of the person owning or controlling such facilities.

**C. RATES**

The rates, charges and local service areas for Shared Tenant Service are as specified for Local Exchange Service, and for Centrex Services, in this Tariff.

(N)

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**Issued: June 1, 1993****Effective: July 1, 1993****By: Stephen C. Spencer, Vice President**

**ATTACHMENT 2-A**



June 5, 1995

Ian D. Volner  
(202) 962-4814

A. Randall Vogelzang, Esq.  
GTE Telephone Operations  
4100 Roxboro  
NC999191  
Durham, North Carolina 27704

Dear Mr. Vogelzang:

I am writing particularly to respond to your letter of May 17, 1995 which purports to describe GTE's policy concerning demarcation points under applicable FCC regulations, and generally to address the outstanding issues between GTE and the Airports Authority. There has been absolutely no progress toward satisfactory resolution of these issues, and your letter affords us no reason to believe that this situation will change. Accordingly, I have been authorized by the Airports Authority to inform you that, effective immediately:

1. The Authority has established the demarcation point on the line side of the new termination frame the Authority or its concessionaire will install in Building 8 at Dulles Airport.

2. GTE will, as a matter of law, continue to own cabling both on its side and the Airport side of the demarcation point for so long as that plant remains in operation, unless other arrangements are made with the Authority. The Authority will make any modifications, repairs or replacements to GTE's wiring on the Airport side of the demarcation point. Alternatively, the Authority, at its sole discretion, may authorize GTE to make modifications, repairs or replacements on an unregulated basis. All such repairs and replacements shall be at the expense of the party requesting or necessitating such repair or replacement.

3. Under no circumstances will GTE or its agents be permitted to install new facilities or make any changes or modifications to cabling or telecommunications equipment located at the Airport without prior, written approval from the appropriate officials of the Authority.

This policy resolves the regulatory issues concerning demarcation point and the allocation of rights and responsibilities between GTE and the Authority as the premises' owner, and is entirely consistent with the FCC's rule and our discussions of the past 25

Mr. A. Randall Vogelzang  
June 5, 1995  
Page 2

months. As you are aware, there remain separate, non-regulatory issues relating to the compensation to which the Authority is entitled for the use of its rights-of-way and space at buildings presently used by GTE for its central office and for other purposes. Unless we receive from GTE an acceptable proposal with respect to compensation to the Authority for these uses within ten (10) days from the date of this letter, the Authority will initiate appropriate steps in vindication of its rights.

Background. The Authority has taken these steps because it is abundantly clear that we are no closer to a definitive resolution of both regulatory and non-regulatory matters than we were more than two (2) years ago when these discussions began. The Authority initiated the discussion by pointing out that, regardless of the outcome of the then-pending RFP to establish a Shared Tenant Service (STS) system at Dulles, federal law required the establishment of a demarcation point, and that the laws and policies under which the Authority operates mandate that arrangements concerning the use of rights-of-way and occupancy of space be made.

We proposed to simplify the regulatory portion of the undertaking by purchasing GTE's embedded plant. It took months after our initial inquiry for GTE to prove the Authority with an estimate of the price of purchasing the plant and several months more for GTE to respond to our inquiry as to how the price quotation had been arrived at. There was even greater delay in the delivery to the Authority of a detailed itemization of the plant in question. Actually accomplishing an on-site verification of GTE-claimed inventory -- which disclosed numerous errors in the inventory -- took months to complete.

In late December, 1994 (a full eighteen months after the discussions began), GTE announced that, for its own internal, accounting reasons, it was imperative to conclude the transaction with respect to the premises' wiring and to establish a demarcation point by the end of the month. The Authority cooperated and tried very hard to accommodate this request. This effort broke down when the Authority realized that the inventory of cabling supposedly being sold which GTE had prepared was still inaccurate and over-inclusive. Nonetheless, the Authority continued to try to resolve these matters into early 1995 with little progress. Then, at our meeting at the end of April, 1995, you and your clients announced that GTE was unwilling to sell the plant. That was certainly GTE's right and, as we have previously advised GTE, the Authority is no longer pursuing the purchase proposal. Implementation of the Authority's STS system has been delayed since the Authority, accepting GTE's *bona fides* in negotiating the sale of its plant, did not pursue alternative arrangements.

As to the demarcation point, all discussions have been based on the common understanding that the demarcation point would be established somewhere within Building 8. At least four versions of a Demarcation Point and Cable System Purchase Agreement have been prepared by GTE lawyers, all of which would have established the

demarcation point in Building 8. The Authority's position has consistently been that the appropriate location for the demarcation point is in Building 8. Yet, your letter of May 17 states that it will take an additional two (2) weeks for GTE to "propose" a demarcation point. That deadline has now passed as well.

The Authority is the "Premises Owner." Although owned by the federal government, all of the land at Dulles Airport has been leased to the Authority for fifty years with "full power and dominion over, and complete discretion in, operations and development of the Airports..." Lease between the United States of America and the Metropolitan Washington Airports, March 2, 1987. All other occupants of Dulles are there by operation of subleases or licenses from the Authority. That is why the ground lease for the Contel building now occupied by GTE provides that the building occupant will be paid the depreciated interest in the value of the building at the expiration of the lease. There is no doubt that the Authority is the "premises' owner" for purposes of the FCC's rules.

Demarcation Point. The Authority's establishment of the demarcation point inside Building 8 is, if anything, more generous to GTE than the FCC's rule requires. The rule states that, in multi-tenant premises, including "campus situations," in which wiring is installed after August 13, 1990, the multi-unit premises owner shall determine the location of the demarcation point(s) unless the telephone company's policy is to establish the demarcation point at the "minimum point of entry." It is not clear to me what GTE's policy is: What I have been seeking for the past two years is a copy of GTE's policy itself, not a description which seems somewhat selective.

Your letter of May 18, 1995, stated that for a "special application" GTE's policy provides that "[a]lternative demarcation point(s) may be established if the circumstances require it." This seems to imply that GTE's policy is not to establish the demarcation point at the "minimum point of entry." Accordingly, the Authority has established the demarcation point at the line side of the new termination frame to be installed in Building 8. The Authority believes this will better serve the interests of both GTE and the Authority. Among other things, this location will facilitate nondiscriminatory access by competitive carriers to Dulles when the Commonwealth of Virginia authorizes competitive intra-state services.

GTE's System. GTE's wire from the edge of the Airport to the demarcation point in Building 8 continues to be GTE's responsibility to maintain. Responsibility for maintenance and service of the system on the Airport side of the demarcation point is the responsibility of the premises' owner (the Airport). There is nothing in the Authority's policy that precludes GTE from continuing to serve those tenants at Dulles who prefer to take local service from GTE rather than through the STS system.

Mr. A. Randall Vogelzang  
June 5, 1995  
Page 4

Repair, Modification, Installation of New Facilities. I call your attention to Section 9.2 of the Metropolitan Washington Airports Regulations which provides:

Except with the explicit written approval of the Manager and the Authority Building Official, no person shall construct, enlarge, alter, repair, remodel, add to, demolish, or modify in any way any building or structure on either Airport. Except with the written approval of the Manager and the Authority Building Official and consistent with any reasonable conditions they set, no person shall make any excavation at either Airport.


This regulation has the full force and effect of law, and its violation is a Class 1 misdemeanor.

The need for this regulation and its particular application in Paragraph 3 of the Authority's Policy is illustrated by the recent and ongoing problem with the Greenway toll road. Although GTE was told that it would not be given permission to a run line across Dulles to serve the Greenway, GTE went ahead and installed it anyway. The unauthorized line crosses a site that the Authority needs for other, public safety, purposes. It will have to be cut or removed. The Authority has no wish to preclude the Greenway from obtaining telephone service from whomever the Greenway chooses; however, that does not mean that the Authority will excuse the appropriation of its property as GTE has attempted to do.

Conclusion. As stated, this Policy takes effect immediately. The Authority cannot countenance further delay. Accordingly, the Authority has authorized Harris and its subcontractor, Bell South, to commence construction of Dulles cabling infrastructure that will, over time, replace the existing GTE-installed cabling.

If GTE has a proposal for compensating the Authority for its occupancy and rights-of-way on the Airport, I suggest that you present it as soon as possible. To be acceptable, GTE's proposal must provide for payment of rent retroactive to January 1, 1995. If I have not heard from you by June 15, the Authority will provide GTE with its terms and conditions in the form of a lease.

Very truly yours,

A handwritten signature in dark ink, appearing to read 'D. Volner', with a stylized flourish extending to the left.

Ian D. Volner

**ATTACHMENT 2-B**





GTE Telephone Operations

VIA FACSIMILE # (202) 962-8300

May 17, 1995

4100 N. Roxboro Road  
P.O. Box 1412  
Durham, North Carolina 27702  
919 471-5000Mr. Ian D. Volner  
Venable, LLP.  
Attorney-at Law  
1201 New York Ave., N.W., Suite 1000  
Washington, D.C. 20005

RE: Dulles Airport

Dear Mr. Volner,

As we discussed last week, I indicated that I would provide you the GTE South Incorporated (Virginia Region) ("GTE") policy on demarcation as a result of FCC Docket No. 88-57.

As a general policy going forward, GTE's demarcation policy is probably similar to that of many companies. In general, GTE's position is:

. . . to terminate regulated network facilities at the minimum point of entry. GTE establishes its point of demarcation within 12 inches, or as close as practical, to the network protector when entering single- or multi-unit premises or, in the alternative, within 12 inches or as close as practical to crossing the property line. Each point of demarcation shall be clearly marked by affixing approved decals for the telephone company and customer side of the interface device. GTE will continue to offer on-premises wiring as a BTL service.

The policy covers existing and new single-unit locations, which would place the demarcation at the protector of the building or house. Since Dulles is a multi-unit location, this part of GTE's policy would not appear to apply.

The point of demarcation for new multi-unit locations is established under GTE's policy:

Where the wiring enters the building(s), usually in one of the following areas:

- the basement.
- The ground floor.
- An easily accessible location.

On the exterior or interior of the building.

Within 12 inches or as close as practical to the network protector and associated grounding location.